

**Testimony Regarding Educational Provisions in
HB 6350: An Act Concerning the Budget for the Biennium Ending June 30, 2015, and Other
Provisions Relating to Revenue**

Sarah Esty and Cyd Oppenheimer, J.D.
Appropriations Committee
February 21, 2013

Senator Harp, Representative Walker, and distinguished Members of the Appropriations Committee:

We are testifying today on behalf of Connecticut Voices for Children, an independent, research-based public education and advocacy organization that works statewide to promote the well-being of Connecticut's children, youth, and families.

We fully support the creation of the new Office of Early Childhood and maintenance of funding for critical early childhood programs, as proposed in HB 6350: An Act Concerning the Budget for the Biennium Ending June 30, 2015, and Other Provisions Relating to Revenue. However, we ask that the legislature reconsider the funding cuts and elimination of some of the smaller programs.

1. Support the Creation of the Office of Early Childhood

We strongly support the provisions in HB 6350 which establish a new Office of Early Childhood. This new office is the culmination of tremendous work on the part of many. It would not have been possible without the support of this legislature, which passed PA 11-181, creating the planning process to develop an early childhood system blueprint. Strong support for early childhood on the part of Governor Malloy was also invaluable. And the Early Childhood Planning Team, led by Myra Jones-Taylor, put in many months of hard work collecting information, listening to stakeholders across the state, identifying the best pieces of systems from other states, and crafting a thoughtful framework for Connecticut.

We have long advocated for the creation of a separate department to better consolidate and coordinate early childhood services. National research supports this observation as well – fragmented ECE delivery systems “limit effectiveness in delivering a seamless continuum of services to children and families, who may frequently utilize services across these siloed systems, experiencing cumbersome and duplicative processes, varied eligibility and enrollment requirements, and undue inconvenience.”¹ This proposal draws on the **strengths of a separate department** – independence, autonomy, and consolidation of many programs under one roof – while also benefiting from **significant cost savings through administrative support from the State Department of Education**. We therefore strongly support the creation of an Office of Early Childhood housed in the State Department of Education for administrative purposes only.

We are very pleased to see that the Governor's proposed budget **unites all key programs affecting children birth to five from the State Department of Education, Department of Social Services, Department of Developmental Services, Department of Public Health, and Higher**

¹ See Julia Coffman, Kathy Glazer, Susan Hibbard, and Kristin Wiggins, “Early Childhood System Governance: Lessons from State Experiences,” *BUILD* (November 2010) on pg. 11.

Education Board of Regents. This Office of Early Childhood will bring together under one roof not only the major early care and education programs (including Care4Kids, School Readiness, Head Start, and State-Funded Centers), but also quality improvement services, licensing, home visitation and family support programs, special education early intervention services, and workforce development initiatives. This broad consolidation reflects a critical understanding of the need to consider not only educational needs of young children, but also health, developmental, and family supports. By drawing on existing staff from these five departments, as well as a few new staff to provide executive and administrative functions, the new Office will benefit from tremendous expertise, while also having the ability to better coordinate between programs, improve efficiency, and reduce redundancy and confusion.

We support the creation of this new Office of Early Childhood because we believe that unifying early childhood services in one location will help create greater coordination and efficiency, reducing confusion for parents and providers and improving outcomes for children.

2. Support Maintenance of Funding for Critical ECE Programs

We are pleased that HB 6350 preserves funding for the majority of early care and education programs housed in the State Department of Education. It maintains FY13 post-rescission funding levels for Head Start and Family Resource Centers, while slightly decreasing appropriations for State-Funded Centers and child care quality enhancement. It provides for minor increases in funding for School Readiness Programs in Priority and Competitive Districts and School Readiness quality enhancement. It also increases funding for several smaller programs – including Community Plans for Early Childhood, Improving Early Literacy, and the Parent Trust Fund – to take advantage of a philanthropic match opportunity.

In these tough budget times, we laud the Governor for his commitment to continuing to fund the most critical programs that provide services for young children and families and improve the quality of those programs. We urge this committee to join the Governor in preserving funding for these programs.

3. Roll Back the Reductions and Elimination of Smaller ECE Programs

We oppose the portion of the Governor's budget that proposes significant cuts or elimination of several smaller SDE programs that serve young children. HB 6350 proposes cuts of between 9 and 11% for Head Start Early Childhood Link, which provides quality enhancement for Head Start and funding for the Bridgeport ABCD program, wraparound services, School Based Health Centers, and the K-3 Reading Assessment Pilot. It also completely eliminates funding for Even Start and Parent Universities.

While we understand the need for fiscal responsibility, we believe that it is critical to make investments in children and working families, and that such investments reap incredible rewards for the state in the long run in terms of healthier, more successful children, improved academic outcomes, increased economic growth, and a better prepared future workforce. We therefore respectfully request that you reinstate funding for these programs.

Thank you for the opportunity to submit testimony.

**Testimony Regarding Provisions Affecting the Department of Social Services in
HB 6350: An Act Concerning the Budget for the Biennium Ending June 30, 2015, and Other
Provisions Relating to Revenue**

Sarah Esty and Cyd Oppenheimer, J.D.

Appropriations Committee

February 22, 2013

Senator Harp, Representative Walker, and distinguished Members of the Appropriations Committee:

We are testifying today on behalf of Connecticut Voices for Children, an independent, research-based public education and advocacy organization that works statewide to promote the well-being of Connecticut's children, youth, and families.

We oppose the reduction of funding for Care4Kids proposed in HB 6350 and the associated restriction of program eligibility. The Governor's budget suggests a cut to Care4Kids of \$3.27 million (3%) in FY14 from the final FY 13 budget after rescissions, as well as ending eligibility for families earning between 50 and 75% of the state median income (SMI).

At present, families must be earning under 50% of SMI to become enrolled in Care4Kids, but they may continue to receive a child care subsidy as long as their income is below 75% of SMI. As their income rises, the parental share of the child care costs increases and the subsidy provided by the state declines. This allows for a gradual "phase-out" of Care4Kids benefits so that parents do not suddenly lose all their benefits when their income rises above 50% of SMI.

The proposed change would create a sharper cliff for families moving towards income sufficiency rather than the more gradual transition off of childcare subsidies under the current system. A small increase in pay could leave families ineligible for Care4Kids, and result in a net *loss* of income (the increase in pay being smaller than the lost child care subsidy). Ironically, working more and doing better could leave vulnerable families further behind.

For example, take a single working mother in Waterbury with a toddler and a preschooler earning 50% of SMI for a family of three - \$42,829 a year¹ or \$823.63 per week. Child care for her children would cost approximately \$454.90 per week,² or 55% of her income. Under current Care4Kids eligibility, if her income rose to \$830 per week, she would continue to receive \$274 per week in child care subsidies.³ With the proposed eligibility restrictions, after this small \$1 per day raise, the

¹ "Selected Annual Federal Poverty and State Median Income Guidelines," *Connecticut Department of Social Services* (July 1, 2012), available at: <http://www.ct.gov/dss/lib/dss/PDFs/PovSMI.pdf>

² This estimate uses the average cost of \$249.49/week for full time care for an infant/toddler in center-based care and \$205.41 for a preschooler in full-time center-based care in Connecticut. See, "Fee Analysis of Child Care Facilities in Connecticut," *2-1-1 Childcare, United Way of Connecticut* (February 5, 2013), available at: <http://www.211childcare.org/professionals/FeeCt.asp>

³ The Care4Kids payment for an infant in northwest Connecticut in full-time center-based care is \$199/week and \$158/week for a preschooler, for a total of \$357/week. This amount is reduced by the family fee, which is 10% for families with income between 50% and 75% SMI, or in this case \$83/week. Thus the total Care4Kids payment would be \$357-\$83=\$274/week. See, "Care4Kids Weekly Provider Reimbursement Rates," *Connecticut Department of Social Services* (January 1, 2002), available at: <http://test.ctcare4kids.com/files/2012/05/Rates.pdf>

working mother would lose all her subsidies and have to pay the full cost of child care – more than half of her weekly wages – resulting in a net decline in income of \$267 per week.

Because the state contribution declines as income increases, the cost savings to the state for eliminating the phase-out eligibility category are likely to be relatively small, yet they will have significant negative impacts on the affected families' abilities to raise themselves out of poverty and transition to self-sufficiency. **We therefore urge you to maintain funding for Care4Kids and retain current eligibility categories.**

Thank you for the opportunity to submit testimony.